



## Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

recently with the purpose of placing the teaching of economics on an inductive basis, none have gone so far in this direction as "Exercises in Economics." Professor Taylor has doubtless outlined the course of development which must take place in the teaching of economics not only in the secondary schools, but also in the more elementary classes in the university. Nor is there any reason why a science like economics, the facts of which are within the experience of every one, cannot be taught inductively. While the subject-matter of the book is subsidiary to the method, the contents of the book shows that the author is fully in sympathy with the latest development in economic theory. He believes that economics is fundamental to other social sciences; its relation to other branches of knowledge should therefore be definitely shown. The book is full of helpful suggestions both in theory and in method.

J. E. HAGERTY.

Philadelphia.

---

*Lohnpolitik und Lohntheorie, mit besonderer Berücksichtigung des Minimallohnes.* By DR. OTTO VON ZWIEDENECK-SÜDENHORST. Pp. xiv, 410. Price, 9 mk. Leipzig : Duncker & Humblot, 1900.

Problems in distribution are receiving special attention from economists to-day, and the interest therein in Germany is as strong as it is in this country. The book under review is a typical German monograph, which traces a single idea, that of wage regulation, through history and theory. It is, however, a plea rather than a mere presentation. About half the book is devoted to a discussion and criticism of the various wage theories, while the remainder is equally divided between a description of the practical attempts at wage regulation in various countries and a plea for further state action. The author begins by defining his position briefly. Wages are not determined by the law of supply and demand, which at most can explain only the fluctuations, nor by the cost of living, but by custom. It would seem from this that Dr. Zwiedeneck-Südenhorst has in mind German conditions, and especially those which characterize agricultural communities. Yet he draws all his facts and illustrations from the cities, and largely from English practice, and expressly rules agricultural wages out of the discussion.

The development of governmental policies is next traced in outline from the Diocletian Edict of 301. During the period of the "*geschlossene Hauswirtschaft*," when production was confined to the home, there was no wage, and hence no necessity for regulating wages. With the growing independence of industrial labor came

conflicts of interests, and with these the regulation of prices and wages by positive enactment. The peculiar characteristic of all the early ordinances lay in establishing a maximum limit beyond which wages might not go. Such a policy prevailed until well into the eighteenth century. Not until then was the right of the individual to a worthy existence emphasized or were the workers aroused to a consciousness of their rights. It was reserved to the nineteenth century, however, to see the interests of the working classes fully recognized and conserved.

The movement, thus briefly outlined, is traced in detail in the industrial history of Germany and England, for which latter the author has depended largely on Ashley, Cunningham and Webb. He then takes up in turn the various wage theories, and inquires into their teaching in reference to wage regulation. This is found to differ considerably in the individualistic, the catholic-social, the socialistic, and the ethico-social schools, into which he groups the various writers. Under the last he considers von Thünen and Rodbertus, the latter's views, with their insistence on ideal justice and recognition of the solidarity of the interests of society and of the working classes, meeting with the author's warm approval. But through all the theories there runs a common note—the recognition of the ethical justness of the wage-earners' claims. In this theoretical part of the essay the characterization of the catholic writers and their attitude toward the wage question is the best and the most original portion of the book.

After a detailed account of the actual development and status of wage policy in England, especially the methods of the trades unions, and a shorter description of the regulations in other countries—two pages being given to the United States—the author turns to a consideration of the best methods of state regulation of wages. He first establishes the need of such regulation by a series of arguments which we may reduce to the following somewhat elliptical syllogism: Freedom of contract is at the basis of our present system of distribution; wages as they exist to-day are undoubtedly too low; therefore, this method must be corrected and a living wage secured for the workingman by means of state interference. The only really vital question is, how can this best be done.

Such methods as profit-sharing, a sliding scale, etc., are dismissed by the author as insufficient and of limited application only. In general a larger share in industry may be secured to the worker either through the intervention of the state, by direct employment or by law; or, without such intervention, through the collective bargaining of the two parties, or less frequently through the voluntary recognition of the laborers' claims by the employer. If possible, wages should be

fixed by means of collective bargaining, but a bargain so made should be enforced by law. When this method is not followed then a minimum wage should be adopted, which may be based on a fair prevailing rate or the rate recognized by the trades unions. Such a minimum need not be uniform for a large district, indeed should not be, but should recognize geographical and other differences. The objections to such a system are finally noted, but dismissed as irrelevant or insufficient.

Probably Dr. Zwiedeneck-Südenhorst has made out as strong a case as is possible for his position, but many readers will be inclined to deny his premises, and many more his conclusions. Where his arguments are drawn from history, the feeling is strong that he has so interpreted the facts as to substantiate his theory. In the main, however, the basis of the claim is ethical; the *right* of the laborer to a larger share in the social income is assumed almost without argument, and the greater part of the book is devoted to the question how this may be secured for him. The reliance upon legislation to secure the desired end is doubtless characteristic of the German attitude toward social and industrial questions, but does not commend itself in the same degree to American students. Then, too, however pessimistic one may be with regard to our economic history in the past, certain recent tendencies may justify us in being somewhat more optimistic with regard to the future. The increasing resort to "collective bargaining," even on a national scale (as in the metal trades) and a growing feeling of responsibility on the part of the employers (evidenced even in the recent coal strike), seem to indicate that a resort to such drastic measures as Dr. Zwiedeneck-Südenhorst proposes is as needless as undesirable. The book is valuable, however, as being the fairest and most complete presentation of this question which we have had.

ERNEST L. BOGART.

*Oberlin College.*